

See 2 -  
The - Independent.  
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Subject: German Participation in Spanish Industry

Report No: NSM-546

Date of Information: February-March 1951

Place Acquired: Spain, Madrid

Date Acquired: March-2 April 1951

Evaluation: C-3

Date of Report: 3 April 1951

Source: [ ]

Source indicated.

1. *active* Source reports that there have been several indications over the past year that certain German industrial and financial interests *were!* ~~have been~~ in building up auxiliary activity in Spain. In some cases they ~~have been~~ establishing ~~technical bridge-~~ "technical bridge-heads" through the renting of patents and licenses, and the loan of technical advice and know-how. Such procedures give the German interests openings which ~~can~~ be more fully exploited at a later date. In other cases the Germans ~~have been~~ still further and ~~have~~ made plans to export surplus machinery to regions south of the Pyrenees for production purposes. Source claims that much of the planning in the latter connection is ~~in~~ in its initial stages, and detailed evidence of German capital contribution, the establishment of pilot plants, etc., is still ~~very~~ meagre. Certain facts, however, lead him to believe that a displacement policy ~~(German capital contribution)~~ is under serious consideration by German interests.
2. As an example of the first type of reported German activity, i.e. the renting of patents, etc., source cited the ~~deal~~ involving ~~the~~ patents for the manufacture of "perlon" concluded by ~~the~~ Urquijo Bank interests with the German firm Vereinigte Glanzstoff. The patents were obtained through the agency of one HARTMANN, a German engineer under contract with the Instituto Nacional de Industria (INI) in Spain. The perlon is already being manufactured in Spain. Source also ~~said~~ that the German firm, St. Didier, has concluded or is about to conclude a deal with the Spanish Montana-Quilano steel interests. The deal allegedly involves patents for the manufacture of refractory material. *In addition* ~~Source~~ believed that the German auto ~~and~~ BMW is negotiating a deal with the Spanish Elizalde company whereby BMW will lend its technical assistance and manufacturing know-how in the manufacture of automobiles in Barcelona.
3. *acted* Source reports that a representative of the German Internationale Treuhand und Verwaltung Gesellschaft of Munich recently ~~visited~~ Spain for the purpose of investigating the possibilities for an ~~even more~~ *Source is reported* tie-up with Spanish industry than the ~~one~~ instances cited ~~above~~. Treuhand ~~is~~ *acted* as intermediary for various other German industrial ~~concerns~~, including Allgaier, ~~which~~ *which* specializes in wind power generators, and the Treuhand representative offered said generators, as well as metal working machines and machinery for the production of cellulose. *Classification*

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